



SF Fire Credit Union
 3201 California St., San Francisco, CA 94118
 (888) 499 FIRE • (415) 674 4800 • www.sffirecu.org

**BUSINESS FIXED RATE LOAN
 CLOSED END NOTE, SECURITY AGREEMENT**

Borrower 1 Name and Address CHRISTOPHER J MARKS RESIDENTIAL12345678901234567890 ASDFSDFLKSDFSADFLKDF PR 006	Business Title	Account No. -
Borrower 2 Name and Address	Business Title	Date of Loan
		Maturity Date

THIS IS A CONTRACT – BE SURE TO READ IT. It spells out the terms and conditions of your Business Fixed Rate Promissory Note with the Credit Union. It sets out your rights and duties as well as ours. The terms on page 2 as well as the terms and conditions on pages 3 & 4 are part of this Agreement and are binding upon you just as much as the terms on page 1. In this form, "you" and "your" mean all persons who sign on page 4. The words "we", "us" and "ours" mean the Credit Union. Except as mentioned below, each person who signs this form is responsible for repaying this loan in full, both individually and jointly with each other person who signs and, "individually" if that is the capacity in which you signed this Note.

SCHEDULE OF PAYMENTS

Amount of Loan		Interest Rate	
Your Payment Schedule Will Be:	Number of Payments	Amount of Payments	When Payments Are Due
		Beginning Ending	

Security: You are giving a security interest in your personal/individual and business credit union account(s) and the property described below:

COLLATERAL	Titled Property	Make	Year	Model	Identification Number
	Other Property				
	Cross-Collateral	Collateral pledged as security for other loans I have now or in the future with Credit Union will also be security for this agreement. This security interest extends to any "joint" accounts that I have now or establish in the future with the Credit Union. It also extends to any other business loan I have now or establish in the future as a business loan. The security pledged in those other loans, and specific description of property pledged as collateral on those loans are incorporated herein as if set out in full. In addition, all other loans that you have, either personal or business loans now or in the future with the Credit Union are also secured with any collateral pledged to secure this loan. These collateral provisions do not apply to my principal dwelling or household goods pledged as security for other loans.			

Property Insurance:	You may obtain insurance from anyone that is acceptable to us.	Filing Fees N/A
Late Charge:	If you make a payment late and after the due date, you will incur a late charge \$15.00.	
Prepayment:	If you pay early you will not have to pay a penalty.	See your contract document(s) for any additional information about nonpayment default, any required repayment in full before the scheduled date, and security interests.
Assumption:	No one may assume the remainder of your note under the original terms and conditions.	E - Means an estimate N/A – Means "not applicable"

ITEMIZATION OF AMOUNT FINANCED

Amount given to you directly: \$0.00	Amount paid on your account: \$0.00	Amount paid to others on your behalf (a-l) \$0.00
a	to	g
b	to	h
c	to	i
d	to	j
e	to	k
f	to	l

FIXED RATE BUSINESS NOTE

Fixed Rate Loan: You promise to pay the Credit Union plus interest at the rate of % per year on the unpaid balance.

NOTE

- A. Prepayment:** You can prepay all or any part of this loan at any time without penalty. You may make larger payments without penalty and this may reduce the total amount of Interest you will pay. Any partial repayment of your loan will not delay your next scheduled due date(s).
- B. Late Charges:** Please see page 1 for your late payment terms.
- C. Default:** You are in default if you fail to make a payment on this loan on time, or in proper amounts, your creditworthiness is impaired, the value of the Collateral is impaired, there is a change of ownership of all or any part of the Collateral, or there has been any fraud or misrepresentation on your part at any time in connection with this Note. You are also in default under this Note if any of the conditions occur as specified in Section 12 in the "Security Agreement" below, which are incorporated by reference as if repeated verbatim in this Section, or you are in default under any other security agreement securing this loan with this Credit Union. If you are in default, we may terminate this Note and demand immediate payment of your entire loan. You understand we also have other rights including the right to cause the sale of Collateral and apply the proceeds thereof to pay your loan. You also agree to pay all Collection Related Charges (defined on page 3). You understand and agree that Interest at the **INTEREST RATE(S)** under this Note will continue to accrue until you repay your entire loan. You also agree to pay all usual and customary costs of collection including reasonable attorney fees, both pre-judgment and post-judgment and all taxable court costs permitted by law.
- D. Acceleration:** If you are in default, any part of this loan then unpaid and any other amounts you owe under the "Security Agreement" below (if applicable) or under any other security agreement or real estate mortgage securing this loan are due and payable in full without notice to you (unless such a mortgage provides otherwise), at Credit Union's option. You understand and agree that Interest will continue to accrue until you repay your entire loan.
- E. No Waiver:** The Credit Union can delay enforcing any of its rights any number of times without losing its rights. If any part of this Note is determined by a court to be unenforceable, the rest will remain in effect.
- F. Complete Note:** You authorize Credit Union to complete this Note in any necessary respect if it is executed while incomplete.
- G. Credit Reporting:** The Credit Union may report information on late payments, missed payments and other defaults on this loan to credit bureaus. Late payments, missed payments, or other defaults by

yourself may also be reported to credit bureaus on a party who is signing or guaranteeing this loan.

- H. Promise to Pay:** You promise to pay to the Credit Union, the amount you owe under this Agreement at an interest rate as provided on page 1. You promise to pay interest, as provided on page 1, until what you owe has been repaid. The amount you owe under this Agreement is the Amount Financed shown in the Schedule of Payments as disclosed on page 1, plus any other amounts advanced by the Credit Union to you on your behalf under this Agreement. This amount will be called "Principal". You also promise to pay finance charges ("Interest") beginning on the date of this Note and continuing until the full amount of Principal has been paid. Interest will be charged on that part of the Principal which has not been paid. Payments will continue until you have paid in full the Principal, Interest, all Collection-Related Charges, and any other charges. You will pay this sum as set forth in the payment schedule of payments as disclosed on page 1. You understand and agree that each payment is applied first to late charges, if any, and other charges, then to Interest and then to the Amount Financed. If this loan refinances another loan we have with you, the other loan will be canceled and refinanced as of the date of this loan. If the proceeds of this loan are mailed to you, interest on this loan begins on the date the loan proceeds are mailed to you.
- I. Payments Marked "Paid in Full":** We may accept checks, money orders, or other types of payment marked "payment in full" or using other language to indicate your satisfaction of any indebtedness, without being bound by any language waiving any rights under this Note. Full satisfaction of indebtedness shall be accepted by us only in a written agreement, signed by an authorized representative.
- J. Pledge of Savings:** This security for all amounts owing under this Note is under any security agreement, excluding any dwellings, securing this loan, you pledge all shares and/or deposits (including earnings and additions) you now or in the future have in this Credit Union, but only up to the total of such amounts unpaid from time to time, if you fail to make your payments when due or are otherwise in default. The Credit Union may accelerate the entire balance due and apply any proceeds from your shares or deposits at the Credit Union to your making any payments that are past due or pay the entire accelerated balance owing, plus interest and any late charges. This pledge does not apply to shares and/or deposits in an Individual Retirement Plan (IRA) or Keogh Plan. Regardless of this pledge, if payments on this loan are up-to-date, Borrower(s) can withdraw shares and/or deposits to the extent indicated on page 1.

SECURITY AGREEMENT

- 1. Security Interest:** You are giving the Credit Union a security interest in the "Collateral" (or property pledged) described here, including that set forth in the "cross-collateral" section on page 1. You understand and agree that your loan is also secured by the insurance proceeds or any insurance premium refunds. This security interest also covers accessions to that property, including a CD player for a car and the proceeds of any insurance on the property. **In addition, all property, other than dwellings, that you have given to secure other loans with the Credit Union will also secure this loan. However, the "cross-collateral" section shall not apply to any real property security or where otherwise prohibited by federal or state law or regulation.** If the Collateral is a motor vehicle, you certify that the vehicle pledged as security for this loan is not and has never been a "Lemon Law Buyback," grey market and/or "salvage" title vehicle.
- 2. Obligations Secured:** The security interest secures the loan described on page 1, any renewals or extensions thereof, and any sums which become due under any security agreement securing this loan. It also secures any other loans you have with the Credit Union now or in the future and any other amounts you owe the Credit Union for any reason now or in the future, except as otherwise provided. Any future advances will be added to the Amount Financed of the loan and will accrue interest at the rate specified under the terms of this Note. The term "future advances" includes but is not limited to money advanced to you, money advanced to third parties at your direction, or costs, fees or other monies advanced by us to protect our interest in the Collateral, including Collection-Related Charges.
- 3. Perfecting Security Interest:** You promise to sign any financing statement necessary to perfect the security interest or any amendment necessary to correct any error in such financing statement. You authorize the Credit Union to complete any such document in any necessary respect if it was signed while incomplete. You promise to get the security interest noted or endorsed on a certificate of title, or application therefore, when that is necessary to perfect the security interest.
- 4. Ownership of Collateral:** You promise that you own the Collateral or will acquire it with the proceeds of the loan, and that no one else other than the Credit Union has an interest in or claim against it. You

promise not to sell, lease, give away, or otherwise dispose of the Collateral, or any part of it without the Credit Union's written permission, and you also promise to keep it free from any other liens or security interests without the prior written approval of the Credit Union. If the proceeds of this loan are utilized to purchase the Collateral you understand and agree that it is your sole obligation (and not ours) to ensure that each and every seller and lienholder of the Collateral is paid and all liens released, and to provide us with clear title to the Collateral. You understand that if you do not do this, the Note will be in default.

- 5. Use of Collateral:** You promise (a) to keep the Collateral in good order and repair; (b) obtain written permission from the Credit Union before making changes to the Collateral (c) not to use it in violation of any law or ordinance; (d) to let Credit Union inspect and examine it at reasonable times; (e) to notify the Credit Union if the Collateral is damaged, stolen or abused; and (f) inform the Credit Union in writing if the Collateral is moved from the address listed on page 1. You agree to perform all acts which we deem necessary to make our security interest enforceable. You further agree not to allow any liens to exist against it other than ours, and you agree to pay the costs of protecting the Collateral, including reasonable attorneys' fees. You understand and agree that if you do not do these things, we may declare this Note in default. If the Collateral is abandoned or this Note is in default, we may take reasonable action to protect and preserve the Collateral without prior notice to you.
- 6. Payments by Automatic Transfer:** If you request to make payments by automatic transfer, you understand and agree that no payment can or will be made if there are insufficient or uncollected funds in the designated account to make the scheduled loan payment. Should this event occur, you understand and agree that you will not be released from making the payment. Any automatic transfer you have requested will remain in effect until you cancel it in writing or the Note is paid in full. We may cancel this service at our discretion.
- 7. Last Payment:** You give us permission to deposit the excess of your last payment, if any, to your Credit Union share account.

- 8. Insurance, Fees and Taxes on Collateral:** You promise to keep the Collateral insured against theft, fire, loss, damage extended coverage perils, and to provide "all risks" hull insurance in the case of aircraft or boats and accessories thereto when applicable. The coverage and amount must be satisfactory to Credit Union. You promise to deliver the policy or proof of coverage to the Credit Union. The insurance must be payable to the Credit Union and must provide for 10 days prior written notice of cancellation to Credit Union. It must also provide that any premium refund upon cancellation shall be paid to Credit Union. If you do not get or keep this insurance, we may obtain this insurance and/or we may declare the Note in default. We are under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover us, but might or might not protect you, your equity in the Collateral, or the contents of the Collateral, against any risk, hazard or liability, nor will it satisfy any state financial responsibility or no fault laws, and might provide greater or lesser coverage than was previously in effect. You acknowledge that the cost of the insurance coverage so obtained by us might significantly exceed the cost of insurance that you could have obtained. If we obtain such insurance, you agree that we may add its cost to your loan and you also agree that your payments (as disclosed in the payment schedule in the Schedule of Payments as disclosed on page 1) may be increased to pay for such insurance during the remaining term of your loan. Any amount spent by us for insurance will be added to the Amount Financed of the loan and will accrue interest at the rate specified on Page 1 under this Note. In the event of loss, you will give prompt notice to the insurance carrier and us. We may make proof of loss if not made promptly by you. Unless we and you otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by us, shall be applied to restoration or repair of the Collateral, if the restoration or repair is economically feasible and our Collateral is not lessened. During such repair and restoration period, we have the right to hold such insurance proceed until we have had an opportunity to inspect the Collateral to ensure the work has been completed to our satisfaction, provided that such inspection shall be undertaken promptly. We may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or applicable law requires interest to be paid on such insurance proceeds, we shall not be required to pay you any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by you, shall not be paid out of the insurance proceeds and shall be your sole obligation. If the restoration or repair is not economically feasible or our Collateral would be lessened, the insurance proceeds shall be applied to the sums secured by this Note, whether or not due, with the excess, if any, paid to you. You also promise to pay taxes, liens, assessments and fees (like registration fees) on the Collateral when due.
- 9. Payment by Credit Union:** If you do not keep your promises in herein, the Credit Union can, but does not have to, pay amounts necessary to remove adverse liens or security interests, and you do not have to, pay the repairs or assessments, or insurance premiums. Amounts so paid are due and payable forthwith unless the Credit Union chooses to add them to the balance of the loan, in which case you agree to pay larger monthly payments thereafter so the loan will be paid off when originally scheduled. In either case, such amounts are secured by the Collateral and bear interest at the rate in the Note. Such payment by the Credit Union is not a waiver of your default(s) in failing to make those payments as required by this Security Agreement.
- 10. Accuracy of Information:** You agree that the information provided in your request for credit (application) is accurate and you will notify us in writing immediately if there is a change in your financial condition. You also understand and agree that you must notify us of any change in your name, address or employment. We may retain the application. You understand that it is a violation of Section 1014, Title 18, US Code to make false statements or over value security for the purpose of influencing the action of any insured state-chartered Credit Union. We may gather credit and/or employment information we deem necessary and appropriate from time to time and we may give information concerning our credit experience with you to others.
- 11. Collection-Related Charges:** The term "Collection-Related Charges" as used herein means (i) collection costs, reasonable attorneys' fees, and court costs incurred by us to enforce this Note; (ii) costs of repair, insurance premiums, and all fees, costs and other charges incurred by us to protect, retake, or repair the Collateral; and (iii) costs of sale of the Collateral, such as repossession fees and associated third party fees. If you are in default and we demand full payment, you understand and agree that you will be charged interest on the loan balance (which includes the Principal, Interest, future advances, Collection-Related Charges, and other charges) until you repay the loan.
- 12. Default:** You are in default under this Security Agreement if: (a) you fail to make any payment when it is due; (b) you break any promise you make in this Security Agreement or the Note; (c) you become insolvent or a receiver is appointed for your property or if court proceedings are started for liquidation of your debts; (d) a levy seizure, or attachment is made on the Collateral; (e) the Collateral is lost, stolen, destroyed, or substantially damaged; (f) you fail to acquire the Collateral with the loan proceeds; (g) any oral or written statement by you or any third party to induce the Credit Union to make this loan proves to have been false in any material regard when it was made; or (h) you die.
- 13. Remedies:** When you are in default, the Credit Union has the right to take possession of the Collateral (including other property that you have pledged as security for this or any other loan with the Credit Union) wherever found, without advance notice to you, or court process if the taking can be made in accordance with applicable law. In the event of such a taking of possession, you and the Credit Union have the rights and duties concerning the Collateral, and otherwise, as provided by law or this Security Agreement. You promise to assemble the Collateral and deliver it to the Credit Union at a reasonable and convenient time and place. After taking possession of the Collateral, the Credit Union can sell it in a commercially reasonable manner or apply the net proceeds to any amount you owe it. The Credit Union will give you "reasonable notice" of the time and place of any public sale. If the time after which any private sale or other intended disposition of the Collateral will be made. You understand and agree that the amount we receive at the sale does not pay your unpaid principal, interest, late charges, the costs of protecting, packing, repairing, reconditioning, storing and selling the Collateral and Collection-Related Charges, you agree to pay any remaining amount permitted by law. Expenses of retaking, holding, preparing for sale, selling and the like, are secured by the Collateral according to the terms of this Security Agreement and in addition to the extent permitted by law, reasonable attorney fees and expenses. You also agree that you will be responsible for all costs incurred by the Credit Union in enforcing this agreement – or any resulting judgment or Court Order – including reasonable attorney's fees and Collection-Related costs. Such costs are also secured by the Collateral. You agree that the Credit Union may, in taking the Collateral, take possession of any personal property in the Collateral. The Credit Union will hold such personal property for 5 days after the taking. If you do not claim it within that time, you authorize the Credit Union to treat it as abandoned.
- 14. Other Rights:** (a) No waiver of a default will be a waiver of any other default, or of the same kind of default on a future occasion. (b) This Security Agreement may not be assigned or assumed without the prior written consent of the Credit Union. (c) This Security Agreement is binding on your heirs, personal representatives, successors and assigns, as well as on you. When 2 or more people who have interests in the Collateral sign below, their obligation under this Security Agreement is joint and several.
- 15. Share Account Lien Notice & Right To Set-Off:** If you are in default on a financial obligation to us, you grant us the right to apply your member shares, dividends and deposits in your account(s) at the time of default to satisfy the obligation. When you default we may exercise the right without further notification to you. Further, we may impress shares of any member who is a responsible party on a financial obligation in default at the Credit Union. Without qualifying any other statutory right to set-off or lien and subject to any contractual provision, when a party to a multiple-party account is indebted to the Credit Union, the Credit Union has a right to set-off against the entire amount of the account.
- 16. Governing Law:** When you are in "default", we can sue you in a court of law. We can also sue anyone who signs this contract as a "co-maker" or "guarantor". Or we can do both. This Note is being executed and delivered, and is intended to be performed in the State of California. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of California shall govern the validity, construction, enforcement and interpretation of this Note. **In the event a legal action is filed to collect money owing to the credit union under this Note, or any other instruments executed in connection herewith, the undersigned irrevocably agrees that venue for such suit shall lie in the judicial courts located in the State of California.**
- 17. Attorney-in-Fact:** Borrower(s) also hereby grant to Lender a Limited Power of Attorney to correct any clerical errors on the loan documentation, if deemed necessary by Lender, and to perform any acts required to secure and protect Lender's collateral. We may, as your agent and attorney in fact, disburse loan proceeds to your Credit Union account(s) or to third parties.

SECURITY AGREEMENT (Continued)

- 18. Notices:** Notices will be sent to you at the most recent address you have given to us in writing. Notice to anyone of you will be notice to all.
- 19. Commercial Purpose, Powers, Purpose and Authority.** You agree and warrant that if you are an entity you are duly and validly organized under the name of and in the form indicated in the Signatures section of this Agreement. You promise that each Loan made to you under

this Agreement will only be used for commercial or business purposes, and not for the purchase or improvement of residential real estate or for personal, family, or household purposes. You also promise that you have the authority and all due authorization to enter into and to agree to all provisions of this Agreement and to agree to all provisions of the documents related to this Agreement.

S I G N A T U R E S	BUSINESS SIGNATURE NAME OF BUSINESS: By: CHRISTOPHER J MARKS		DATE SIGNED
	Its:	X	
	BUSINESS SIGNATURE By:		DATE SIGNED
	Its:	X	
	BUSINESS SIGNATURE By:		DATE SIGNED
	Its:	X	
	BUSINESS SIGNATURE By:		DATE SIGNED
	Its:	X	
	INDIVIDUAL – GRANTING SECURITY INTEREST IN DEPOSITS		DATE SIGNED
	NAME OF INDIVIDUAL		X
INDIVIDUAL – GRANTING SECURITY INTEREST IN DEPOSITS		DATE SIGNED	
NAME OF INDIVIDUAL		X	
INDIVIDUAL – GRANTING SECURITY INTEREST IN DEPOSITS		DATE SIGNED	
NAME OF INDIVIDUAL		X	
Other		X	Collateral Member Only
X			

USA PATRIOT ACT

In accordance with the USA PATRIOT ACT, Federal law requires all financial institutions to obtain, verify, and record information that identifies each individual or entity opening an account. This includes all personal and commercial accounts including loan and deposit accounts, as well as trust, brokerage, insurance, and investment management accounts.

What This Means To Our Members

When you open an account, you will be asked for your name, address, social security or tax identification number, date of birth (if applicable) and other information that will allow this Credit Union to identify you. You may also be asked to furnish your driver's license or other identifying documents. We are required to follow this procedure when an account is opened even if you are a current member of this Credit Union.

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